



## **COMMUNITY DEVELOPMENT COMMISSION**

### **County of Los Angeles**

2 Coral Circle • Monterey Park, CA 91755

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**Gloria Molina**  
**Yvonne Brathwaite Burke**  
**Zev Yaroslavsky**  
**Don Knabe**  
**Michael D. Antonovich**  
*Commissioners*

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**Carlos Jackson**

*Executive Director*

December 9, 2003

Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Honorable Board of Commissioners  
Housing Authority of the  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors and Commissioners:

**RESOLUTIONS APPROVING ISSUANCE OF MULTIFAMILY HOUSING MORTGAGE  
REVENUE BONDS FOR SENIOR DEVELOPMENT IN UNINCORPORATED  
HACIENDA HEIGHTS (4)  
(3 Vote)**

**IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS, AS THE GOVERNING  
BODY OF THE COUNTY OF LOS ANGELES:**

1. Acting in the role of Responsible Agency for the site acquisition and construction of a 75-unit affordable senior rental development, to be located at 15554 Gale Avenue in the Hacienda Heights area of unincorporated Los Angeles County, certify that the County of Los Angeles has independently considered and reached its own conclusions regarding the environmental effects of the project and the Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMP) adopted by the Community Development Commission of the County of Los Angeles, as Lead Agency, and determine that the IS/MND and MMP adequately address the environmental impacts of the project, and adopt by reference the Commission's environmental findings in connection with approval of the project.

2. Adopt and instruct the Chairman to sign a Resolution, as required under Section 147(f) of the Internal Revenue Code of 1986, approving the issuance of Multifamily Housing Mortgage Revenue Bonds by the Housing Authority of the County of Los Angeles, in an amount not exceeding \$5,500,000, to assist Hacienda Senior Partners, L.P. (the Developer) finance the site acquisition and construction of Harmony Creek Senior Housing.

**IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS, AS THE GOVERNING BODY OF THE HOUSING AUTHORITY OF THE COUNTY OF LOS ANGELES:**

1. Acting in the role of Responsible Agency for the site acquisition and construction of a 75-unit affordable senior rental development, to be located at 15554 Gale Avenue in the Hacienda Heights area of unincorporated Los Angeles County, certify that the Housing Authority of the County of Los Angeles has independently considered and reached its own conclusions regarding the environmental effects of the project and the Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMP) adopted by the Community Development Commission of the County of Los Angeles, as Lead Agency, and determine that the IS/MND and MMP adequately address the environmental impacts of the project, and adopt by reference the Commission's environmental findings in connection with approval of the project.
2. Adopt and instruct the Chairman to sign a Resolution, as required under Sections 1.142-4 and 1.150-2 of the Treasury Regulations, declaring an intent by Hacienda Senior Partners, L.P. (the Developer), to undertake financing, in an amount not exceeding \$5,500,000, for site acquisition and construction of Harmony Creek Senior Housing, a 75-unit affordable senior rental development, to be located at 15554 Gale Avenue in unincorporated Hacienda Heights.
3. Authorize the Executive Director of the Housing Authority to submit an application to the California Debt Limit Allocation Committee (CDLAC) for a private activity bond allocation in an aggregate amount not exceeding \$5,500,000, for the purposes described above.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The purpose of this action is to approve the issuance of Multifamily Housing Mortgage Revenue Bonds in an aggregate amount not exceeding \$5,500,000, to induce the Developer to undertake the project, which does not obligate the Housing Authority to

issue the bonds, and to authorize the Executive Director of the Housing Authority to apply to CDLAC for a private activity bond allocation in the same amount, in order to finance acquisition and construction.

**FISCAL IMPACT/FINANCING:**

No County costs will be incurred. The Developer will pay all fees and related costs.

**FACTS AND PROVISIONS/LEGAL REQUIREMENTS:**

On September 16, 2003, the Board of Commissioners of the Community Development Commission approved a loan of \$4,400,000 in Home Investment Partnership (HOME) Program funds for Harmony Creek Senior Housing, consisting of 74 units of affordable senior housing and one manager's unit.

The proposed bond issue will provide additional financing for the project and reserve at least 20 percent of the units for households with incomes up to 50 percent of the area median income (AMI) for the Los Angeles-Long Beach Metropolitan Statistical Area (MSA), adjusted for family size, as defined by the U.S. Department of Housing and Urban Development (HUD). The affordability requirement will remain in effect for a minimum of 30 years.

Adoption of the Resolution by the Board of Supervisors approving issuance of the bonds is required prior to submission of the Housing Authority's application to CDLAC for a private activity bond allocation. This action does not, however, authorize the issuance and sale of the bonds. The Housing Authority will return to the Board for this authorization at a later date.

Adoption of the Resolution by the Board of Commissioners of the Housing Authority announcing the intent to issue Multifamily Housing Mortgage Revenue Bonds, is required to establish a base date after which costs incurred by the Developer may be included in the construction and permanent financing obtained pursuant to issuance of the tax-exempt bonds. The Resolution is also required to complete the Housing Authority's application to CDLAC.

On December 8, 2003, the Housing Authority conducted a hearing, at its office located at 2 Coral Circle in the City of Monterey Park, regarding the issuance of multifamily bonds to finance Harmony Creek, pursuant to Section 147(f) of the Internal Revenue Code. No comments were received at the public hearing concerning the issuance of the bonds or the nature and location of the project.

The attached Resolutions were prepared by Orrick, Herrington & Sutcliffe, Housing Authority Bond Counsel, and approved as to form by County Counsel. On November 19, 2003, the Housing Commission recommended approval of the proposed actions.

**ENVIRONMENTAL DOCUMENTATION:**

An Environmental Assessment was prepared for the Harmony Creek project pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). Based on the conclusions and findings of the Environmental Assessment, a Finding of No Significant Impact was approved by the Community Development Commission on July 2, 2003. Following the required public and agency comment period, HUD issued a Release of Funds for the project on September 19, 2003.

Consistent with the provisions of the California Environmental Quality Act (CEQA) Guidelines, Article 14, Section 15221, notice was provided to the public that the Environmental Assessment would be used in place of an Initial Study to satisfy CEQA requirements. The Environmental Assessment/Mitigated Negative Declaration (EA/MND) was circulated for public review as required by state and local law. Adoption by the Board of Commissioners of the Community Development Commission of the EA/MND and the Mitigation Monitoring and Reporting Plan on September 16, 2003, and filing of a Notice of Determination, meets the requirements of CEQA.

The environmental review record is available for viewing by the public during business hours at the Housing Authority's main office located at 2 Coral Circle, Monterey Park.

**IMPACT ON CURRENT PROJECT:**

The proposed action will increase the supply of affordable senior housing in the County.

Respectfully submitted,

CARLOS JACKSON  
Executive Director

Attachments: 2

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING  
REVENUE BONDS AND RELATED ACTIONS

WHEREAS, the Housing Authority of the County of Los Angeles (the "Authority") intends to sell and issue not to exceed \$5,500,000 of multifamily housing revenue bonds in order to assist in financing the acquisition and construction of a 75-unit multifamily rental housing development to be located at 15554 Gale Avenue in unincorporated Los Angeles County (the "Project") to be owned by Hacienda Senior Partners, L.P. (or an affiliate or assign); and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the bonds are required to be approved prior to their issuance by the applicable elected representative of the governmental unit on whose behalf the bonds are expected to be issued and by each governmental unit having jurisdiction over the area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the interest on the bonds may qualify for exclusion from gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"), only if the bonds are approved in accordance with Section 147(f) of the Code; and

WHEREAS, the Project is located wholly within the unincorporated County of Los Angeles, California; and

WHEREAS, this Board of Supervisors is the elected legislative body of the County and is the applicable elected representative of the Authority within the meaning of Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Authority has, following notice duly given, held a public hearing regarding the issuance of such bonds on December 8, 2003, and now desires that the Board of Supervisors approve the issuance of such bonds; and

WHEREAS, this Board hereby finds and declares that this Resolution is being adopted pursuant to the powers granted by law.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The above recitals, and each of them, are true and correct.
2. This Board of Supervisors hereby approves the issuance of the bonds by the Authority to finance costs of the Project. It is the purpose and intent of this Board of Supervisors that this Resolution constitute approval of the bonds by the applicable elected representative of the issuer of the bonds and the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with Section 147(f) of the Code.

3. The proper officers of the Authority are hereby authorized and directed to take whatever further action relating to the aforesaid financial assistance may be deemed reasonable and desirable, provided that the terms and conditions under which the bonds are to be issued and sold shall be approved by the Board of Commissioners of the Authority in the manner provided by law prior to the sale thereof.

4. The Executive Officer-Clerk of the Board of Supervisors or a deputy thereof is directed to certify and deliver a copy of this Resolution to the Authority.

5. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of Los Angeles, State of California, this \_\_\_\_ day of \_\_\_\_\_, 2003, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By \_\_\_\_\_  
Chairman of the  
Board of Supervisors

ATTEST:

Violet Varona-Lukens  
Executive Officer-Clerk  
of the Board of Supervisors

By: \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

By: \_\_\_\_\_  
Deputy